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FISCAL IMPACT STATEMENT

LS 7138

BILL NUMBER: SB 532

NOTE PREPARED: Feb 16, 2015

BILL AMENDED: Feb 12, 2015

SUBJECT: Human Trafficking and Indecent Nuisances.

FIRST AUTHOR: Sen. Head

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill has the following provisions:

Indecent Nuisances: The bill provides that, for purposes of the law concerning actions for indecent nuisances, an indecent nuisance includes a public place in or upon which human trafficking is conducted, permitted, continued, or exists, and the personal property and contents used in conducting and maintaining the place for such a purpose.

Revenue: The bill establishes the Human Trafficking Prevention and Victim Assistance Fund to fund human trafficking victim services and human trafficking prevention programs. It provides that 80% of money collected in the seizure of property used in connection with human trafficking will be transferred to the fund, and 20% of the money will be transferred to the county for use by the prosecuting attorney.

Effective Date: July 1, 2015.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) The bill establishes the Human Trafficking Prevention and Victim Assistance Fund, a nonreverting fund to be administered by the Indiana Criminal Justice Institute. Reimbursement for the cost of services provided to a victim of human trafficking are to be deposited into the fund, along with grants, donations, and interest earnings from investment of currently unneeded funds.

Also, if an individual other than a prosecuting official brings an action for an indecent nuisance for human trafficking, a civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be

deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, other fees may be collected.

(Revised) *Additional Information* - The bill adds to the property for which an action may be brought to abate a nuisance and that may eventually lead to the sale of the personal and real property. If money is collected under this provision, 80% of the funds collected will be placed in the Human Trafficking Prevention and Victim Assistance Fund.

If the state provides services to a victim, the state is subrogated to the rights of the victim for the amount of the services provided. Additionally, the state is entitled to a lien in the amount of services provided. If the victim initiates a civil action against the perpetrator of the crime or another person responsible for the loss, the state may recover the amount of services provided, which would be deposited in the Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: (Revised) If an action for abatement of a property used in human trafficking is successful and property is sold, 20% of the proceeds would be placed in the county general fund in an account for use by the prosecuting attorney to defray the cost of collecting funds and investigating and prosecuting of human trafficking.

(Revised) *Additional Information* - The data available indicate a low number of offenders accused or convicted of the crimes related to human trafficking. A conviction for human trafficking is not necessary for the sale of property under this law. However, the number of people accused and convicted is a record that may indicate the potential revenue from the addition of human trafficking indecent nuisances to the law. There were three offenders in state prison on December 1, 2014, for human trafficking violations, and there were nine people charged with human trafficking in 2014 from the courts that use the Odyssey system.

[The Odyssey system accounts for 182 trial courts, 16 city courts, and 7 town courts in 50 counties. These represented 49% of all case filings in Indiana in 2013, the most recent year that this information is available.]

State Agencies Affected:

Local Agencies Affected: Counties, prosecutors.

Information Sources: Indiana Supreme Court.

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